

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

HARRAH'S ENTERTAINMENT, INC.  
AND HARRAH'S OPERATING COMPANY, INC.

(Registration) \_\_\_\_\_

FIFTH REVISED ORDERS OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on August 6, 1997, and before the Nevada Gaming Commission ("Commission") on August 21, 1997, at Carson City, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:

a. The application of Harrah's Entertainment, Inc. and Harrah's Operating Company, Inc. for an amendment to their Orders of Registration; and

b. The application of Harrah's Operating Company, Inc., dba Harrah's Casino Hotel Lake Tahoe and Bill's Lake Tahoe Casino for licensure to conduct off-track pari-mutuel race wagering.

2. THAT the Fourth Revised Orders of Registration of Harrah's Entertainment Inc. and Harrah's Operating Company, Inc., dated July 27, 1995, are hereby amended and restated, in their entirety, by these Fifth Revised Orders of Registration.

3. THAT Harrah's Entertainment, Inc. is registered as a publicly traded corporation and is found suitable as the sole shareholder of Harrah's Operating Company, Inc.

4. THAT Harrah's Operating Company, Inc. is registered as a publicly traded corporation.

5. THAT, pursuant to NGC Regulations 15.585.7-1 and 15.585.7-2, approval is hereby granted to cancel the stock of Harrah's.

6. THAT Harrah's Operating Company, Inc., after the cancellation of the stock of Harrah's, is found suitable as the sole shareholder of Harrah's Laughlin, Inc.

7. THAT, after the cancellation of the stock of Harrah's but only until the cancellation of the stock of Harrah's Club, Harrah's Operating Company, Inc. is found suitable as the sole shareholder of Harrah's Club.

8. THAT, pursuant to NRS 463.510 and NGC Regulations 15.585.7-1 and 15.585.7-2, approval is hereby granted to cancel the stock of Harrah's Club.

9. THAT, upon the effectiveness of the cancellation of the stock of Harrah's Club, Harrah's Operating Company, Inc. is found suitable as the sole shareholder of Harrah's Las Vegas, Inc.

10. THAT Harrah's Operating Company, Inc. is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission.

11. THAT Harrah's Operating Company, Inc., dba Harrah's Casino Hotel Reno, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, at 300 East 2nd Street, Reno, subject to such conditions or limitations as may be imposed by the Commission.

12. THAT Harrah's Operating Company, Inc., dba Harrah's Casino Hotel Lake Tahoe and dba Bill's Lake Tahoe Casino, is licensed to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations, including a race book and sports pool, at Highway 50, Stateline, subject to such conditions or limitations as may be imposed by the Commission.

13. THAT, in conjunction with the Credit Agreement, Harrah's Operating Company, Inc. is granted approval, pursuant to NRS 463.510(1), to pledge the common stock of Harrah's Las Vegas, Inc. and Harrah's Laughlin, Inc. in favor of Bankers Trust Company as administrative agent provided that: (a) a fully executed copy of the First Amendment to Company/Sub Pledge Agreement, as described in Section 5.06 of the Credit Agreement and in the form of the draft dated June 21, 1995, must be filed with the Board within four business days after execution; (b) the prior approval of the Commission must be obtained before any foreclosure or transfer of possessory interest in such common stock (except back to Harrah's Operating Company, Inc.), and before any other resort to such common stock collateral or other enforcement of the security interests in such common stock, may occur; and (c) pursuant to NGC Regulation 15.510.1-3 and 8.030(4)(a), the common stock certificates of Harrah's Las Vegas, Inc. and Harrah's Laughlin, Inc. evidencing said pledges of common stock must at all times remain physically within the state of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

14. THAT, in connection with the Credit Agreement set forth in paragraph 13, Harrah's Operating Company, Inc. is granted approval pursuant to NGC Regulation 15.510.1-4(a) to place restrictions upon the transfer of, and to enter into an agreement not to encumber, the common stock of Harrah's Las Vegas, Inc. and Harrah's Laughlin, Inc.

15. THAT Harrah's Las Vegas, Inc., dba Harrah's Casino Hotel Las Vegas, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations,

including a race book and sports pool, at 3473 Las Vegas Boulevard South, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

16. THAT Harrah's Laughlin, Inc., dba Harrah's Casino Hotel Laughlin, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 2900 South Casino Drive, Laughlin, subject to such conditions or limitations as may be imposed by the Commission, and is licensed as a distributor, subject to such conditions or limitations as may be imposed by the Commission.

17. THAT, Harrah's Laughlin, Inc. dba Harrah's RV Plaza/Convenience Center is licensed to conduct restricted gaming operations at 2900 S. Casino Drive, Laughlin, Nevada, subject to such conditions or limitations as may be imposed by the Commission.

18. THAT, pursuant to NRS 463.625, Harrah's Entertainment, Inc., is hereby exempted from compliance with NRS 463.585 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive, except for NRS 463.635(1)(a)(1) and in lieu thereof is required to maintain its stockholders list at the company's executive offices in Memphis, Tennessee, and that Harrah's Entertainment, Inc. is required to pay all costs incurred by the Board to review said stockholders list so long as Harrah's Entertainment, Inc. is a registrant.

19. THAT Harrah's Entertainment, Inc. is hereby exempted from compliance with NGC Regulation 15 and shall instead comply with NGC Regulation 16.

20. THAT Harrah's Operating Company, Inc. is hereby exempted from compliance with NGC Regulation 15 except for the provisions of NGC Regulations 15.585.4-1 and 15.585.7-6 and shall instead comply with NGC Regulation 16, except Harrah's Operating Company, Inc. is exempted, pursuant to NGC Regulation 16.450, from NGC Regulation 16.100(1) and (2); provided that, Harrah's Entertainment, Inc. shall not sell or transfer beneficial ownership of any voting securities of Harrah's Operating Company, Inc. without the prior approval of the Commission.

21. THAT Harrah's Entertainment Inc. shall fund and maintain with the Board a revolving fund in the total amount of \$25,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order of Registration. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board or its staff in the surveillance, monitoring and investigative reviews of all activities, of Harrah's Entertainment, Inc., its direct and indirect subsidiaries, and their affiliated entities.

22. THAT the Commission hereby expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Carson City, Nevada, this 21st day of August 1997.